

---

**Government of the District of Columbia**



**Office of the Tenant Advocate**

Testimony of

**Johanna Shreve**  
Chief Tenant Advocate

**PROPOSED FISCAL YEAR 2019  
BUDGET HEARING**

Committee on Housing and Neighborhood Revitalization  
The Honorable Anita Bonds, Chairperson  
Council of the District of Columbia

Wednesday, April 25, 2018  
11:00 a.m.

Room 500  
John A. Wilson Building  
1350 Pennsylvania Avenue, NW  
Washington, DC 20004

---

Good afternoon, Chairperson Bonds and members of the Committee on Housing and Neighborhood Revitalization. I am Johanna Shreve, the Chief Tenant Advocate of the District of Columbia in the Office of the Tenant Advocate. I am here today to present testimony regarding the Mayor's Fiscal Year 2019 proposed operating budget for the agency. I wish to thank the Mayor, this Committee, the Council, and the community for supporting the work of this agency.

**The FY 2019 budget proposal**

The FY 2019 proposed operating budget for the agency is \$3,637,017. This represents a net reduction of \$371,210, or just over nine (9) percent, from the approved FY 2018 budget. Local Funds account for \$3,127,979 of that total, and Special Purpose Revenue Funds account for the remaining \$509,037.

I will now discuss the changes in this year's budget in terms of each of the agency's programmatic divisions. I will do so with reference to the "OTA FY 2018 Approved – FY 2018 Proposed NPS Budget" spreadsheet, copies of which we have provided to the Committee. Our programmatic areas include: (1) Administrative Services; (2) Legal Representation; (3) Case Management Administration and Community Outreach; (4) Policy

Advocacy; (5) the Emergency Housing Assistance Program (EHAP); and (6) the Tenant Education Institute. I will defer comments on the status of the Rental Control Housing Clearinghouse Database until later in my testimony.

**Continuing agency needs**

In addition to the details I just provided, the agency has three activities that we believe warrant further funding consideration: (1) the physical build-out of the office; (2) the Legal Service Provider Fund; and (3) a new program under discussion to address an increasingly common client complaint - indoor mold.

**A. The physical build-out of the office**

Included in the FY 2018 approved Department of General Services (DGS) capital budget was \$250,000 for the expansion of the OTA's physical space. The expansion is necessary to accommodate our growing staff, including two (2) new attorney advisors, an IT specialist, and economist. Currently, space occupied by the Department of Employment Services (DOES) adjacent to the OTA is ideal for purposes of our expansion. Pursuant to discussions with both DOES and DGS, an agreement has been reached to transfer that 2500 square-foot space to the OTA (which at \$15 per square foot will increase the agency's annual rent liability by \$17,102).

I have provided the Committee with copies of a preliminary drawing of the footprint for the OTA expansion.

What I have only recently learned is that DGS funding for the OTA expansion must include the cost of relocating DOES to space that agency also currently occupies on the same floor. As a result, this project will now require additional funding. The current \$250,000 allocation within DGS's capital budget will cover (a) relocation of DOES at \$150,000 and (b) the first phase of the OTA reconfiguration of the space at \$90,000, thus leaving a balance of approximately \$10,000. DGS has confirmed that completing the build-out will require an additional \$212,500, assuming that we can roll over the \$10,000 balance from FY 2018 into FY 2019.

**B. The Legal Service Provider Program.**

The proposed budget would provide the agency with \$175,000 for this program in FY 2019, a reduction of \$40,000 from the FY 2018 approved amount of \$215,000. Funding for the program was also reduced in each of the previous two fiscal years. First, it was reduced from the actual FY 2016 amount of \$280,000 to the actual FY 2017 amount of \$279,000. In FY 2018 (despite the "actual" amount reflected in Table CQ0-4) it was effectively reduced by \$175,000, as we understand it, to fund the rental housing

clearinghouse database, which the Committee had asked the agency to assume.

The Legal Service Provider program provides a significant benefit to the tenant community -- and it also provides an excellent bang for the buck. In FY 2017, the taxpayer investment in the program totaled \$280,000 and the total amount of damage and settlement awards for tenants associated with that funding was \$1,921,775. This represents a 686 percent return on investment. These numbers do not reflect the ripple effect these wins have throughout the rental housing community, whether in terms of greater compliance, enforcement, affordability, or the enhanced quality of rental housing in the District.

**C. Mold Assessment and Enforcement.**

Our primary purpose under the agency's establishment act is to identify and provide resolutions to problems faced by the tenant community; the increasingly pervasive problem of indoor mold in rental accommodations is certainly one of them. In FY 2017, the OTA handled over 350 mold complaints, and there have been over 140 mold-related complaints to date in FY 2018. Under the current law, if a renter suspects that there is mold in his or her rental unit and provides written notice to

the housing provider, the housing provider must then take certain steps.<sup>1</sup>

First, the housing provider must inspect the suspected mold area within seven (7) days and remove any mold that is found within 30 days of the inspection. If the suspected mold covers ten (10) square feet or more, the housing provider must use a licensed professional to assess the problem, and another licensed professional to eliminate the mold.

I believe that the time has come for the OTA to implement a program that directly responds to these complaints. Based on extensive discussions with tenant attorneys and advocates whose clients frequently experience mold issues, I believe the OTA could make a big difference given sufficient funding to hire a single third party contractor. That contractor would be responsible for conducting a professional assessment of suspected mold conditions, and then would work with a dedicated OTA attorney advisor to get results for the tenant. Once the program is fully up and running, I believe this program could serve as the basis for developing further interagency enforcement strategies.

---

<sup>1</sup> The Air Quality Amendment Act of 2014 (Public Law No. 20-135, D.C. Code §§ 8-241.01-8-241.09) went into effect on September 9, 2014. The Department of Energy and the Environment (DOEE) issued regulations on April 22, 2016 (20 DCMR § 3200, et seq.).

### **Rent Control Housing Clearinghouse**

The agency was given responsibility for the “Rent Control Housing Clearinghouse” database demonstration program through the FY 2018 Budget Support Act. The FY 2018 BSA also provided the agency with \$500,000 in one time funding for this project. The proposed FY 2019 budget reflects a net reduction of that \$500,000 to account for the removal of the one-time funding. This is despite the fact that much of this funding will be needed in FY 2019, which by statute is the second and final year of the *two-year* demonstration program. We have discussed this problem with the administration, the Committee, and the agency’s fiscal officer, and we are informed that a solution is possible through the reclassification of the database as a capital asset. That reclassification would allow the unspent portion of this one-time funding to “roll over” from FY 2018 to FY 2019, as indeed we believe was the Committee’s intention. If not, however, we will need the Committee’s assistance through the FY 2019 budget to ensure that this program remains viable.

The Committee has also discussed with us the possibility of expanding the database project to include the aims of Bill 22-442, the “Rental Housing Registration Update Amendment Act of 2017.” That

legislation would require housing providers to re-register their rental units within 120 days of the effective date of the Act, and would require that those re-registration statements be made available for public inspection online on DHCD's web portal.

Should the Committee decide to incorporate Bill 22-442 into the "Fiscal Year 2019 Budget Support Act of 2018" and into the database demonstration project, the OTA stands ready to pursue this responsibility as its initial task order for the database project. However, in order to do so, the agency will need an appropriate amount of additional funding, including for example customer service FTEs to assist registrants. This matter is being discussed with the OCFO's Office of Revenue Analysis (ORA) and the Committee.

The OTA has also consulted with DCRA regarding a current software contractor that has satisfactorily executed enhancements to DCRA's Accela system, which incorporates the District's basic business licensing process. We believe using this vendor will allow the OTA to complete our database product efficiently and in a high quality manner, and within the statutory time constraints. In consultation with DCRA, the OTA has developed a timetable with benchmarks and cost estimates for all database

components. That timetable is included in our third database project status report, copies of which we have provided to the Committee.

**Conclusion**

In closing I wish to thank you Chairperson Bonds, and the members of this Committee, for your dedication and commitment to the tenant community, especially our most vulnerable renters. I also wish to thank Mayor Muriel Bowser for her commitment to District renters and residents who are homeless or are struggling to remain in their homes. This concludes my testimony and I am happy to answer any questions you may have.